

**MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**BOARD OF DIRECTORS**

**WEDNESDAY, JANUARY 24, 2007**

**4:00 P.M.**

**IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL  
EAST GREENWICH, RHODE ISLAND**

**The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Vice-Chairman, James C. Forte, at 4:10 p.m., in the Conference Room, at 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.**

**BOARD MEMBERS PRESENT: James Forte; Kathleen Hittner, M.D;  
Robert Sangster;  
Michael Traficante.**

**BOARD MEMBERS ABSENT: James Rosati; Joseph Cianciolo;  
Joseph Larisa.**

**ALSO PRESENT: Peter Frazier, General Counsel; Marci A. Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; and those members listed on the attendance sheet attached hereto.**

## **1. Approval of the Minutes:**

**A motion was made by Mr. Traficante and seconded by Dr. Hittner to approve the minutes of the Board Meeting of December 20, 2006. The motion was passed unanimously.**

## **2. Open Forum:**

**Mr. Forte asked if anyone present wanted to speak in Open Forum. No one came forward.**

## **3. Report from President and CEO:**

**Mr. Forte gave the report in Mr. Brewer's absence. Mr. Forte passed along Mr. Brewer's regrets at not being at the meeting but he was out of state at a family funeral.**

**Mr. Forte reported that passenger numbers for December were down 7.5% and 9.2% year to date.**

**Mr. Forte reported that Mr. Brewer and Ms. Goldstein had met with Cape Air on January 16, 2007 in Hyannis, and they had reiterated their commitment to the Providence market. They had also indicated that they are in confidential discussions with another carrier which they believe will provide enhancements to service to PVD. An announcement on this new potential service is expected in the next**

thirty days.

Mr. Forte reported that Southwest Airlines had indicated that their roadblock to additional service at PVD was the size of the outbound bag make-up system in the PVD terminal. The expansion of this system is part of the ongoing terminal security project. The first, larger bag make-up system will be completed by the end of February and be operated by Southwest. Southwest route development staff will be coming to Rhode Island in the next month to review the system and discuss plans for additional service.

Mr. Forte reported that Spirit Airlines had announced that they will be adding another flight to Fort Lauderdale in March and Ft. Myers in February.

Mr. Forte reported that airport staff had met with Block Island Town Council representatives on January 18, 2007 and had received comments on the design of the new terminal. The architects will return on February 5, 2007 with a revised set of plans which should incorporate most, if not all, of the changes requested by the town. One of the major concerns is the lack of affordable housing on the Island. The Corporation is working with the Town Council and the FAA to determine if there is any land available on the airport which could be designated as “non-aeronautical” upon which the Town, using their own funds, could construct affordable housing.

#### **4. Legislative Report:**

**Mr. Frazier reported that the report was in the Board package.**

#### **5. Operations and Capital Committee Report:**

**Mr. Forte reported that along with Mr. Sangster he had received a tour of airport operations which had been very informative.**

**Mr. Forte reported that in August 2006 the Board had adopted a policy so that change orders between \$50K and \$100K only required approval by the President and CEO and either the Chair of the Operations and Capital Committee or Board Chair. Change Orders signed under this policy need to be reported at the next Operations and Capital Committee or Board Meeting. Mr. Forte reported that he had recently signed three change orders; two for Skanska for the terminal security project in the amounts of \$88,524 and \$66,248, and one for JH Lynch for a project at North Central Airport in the amount of \$74,374.**

**(a) Discussion of Capital Improvement Program (CIP) (i.e., Land Acquisition Program, Draft Environmental Impact Statement, Environmental Permitting, Airfield Maintenance Facility, Easement Acquisition, In-Line EDS Baggage System/Security Checkpoint Modification and Terminal Building Improvements and Other Projects at the General Aviation Airports.**

**Ms. Pope introduced Ms. LaVerne Reid, Manager of Airports Division for FAA, Mr. John Feinstein and Ms. Susan Nichols from VHB, and Richard Lettiere, from Ropes and Gray. Mr. Feinstein gave an overview of the recently released Group 1 Environmental Consequences Chapter, which included a project overview and analysis, preliminary findings and options. Board Members and the consultants discussed the information presented, including the next steps in the process.**

#### **5.1. Action Items:**

**(a) Consideration of and Action Upon Approval for Corporation to Negotiate a Contract with PB Americas Inc., for Project Management Services.**

**Mr. Forte reported that in November 2006 the Corporation issued a Request for Qualifications (RFQ) for Project Management Services for the Warwick Intermodal Project. Five proposals were received in response to the solicitation and a Selection Committee reviewed all of the proposals received and decided to interview all five firms on January 8, 2007. Each Selection Committee member individually scored the candidates based on their proposal and respective interviews. A meeting, which was open to all candidates, was held where the Selection Committee reviewed the process, selection methodology, shared general comments and announced the PM**

**selection that would be recommended to the Board. Based on the individual scoring the Selection Committee unanimously recommends that PB Americas, Inc. be awarded the PM contract, subject to the approval of the Board. The recommendation is that the Board authorize the President and CEO, or his designee, to proceed with formal negotiations with PB Americas, Inc., for the purpose of entering into a PSA for Project Management Services for the Warwick Intermodal Project. It was noted that a final PSA will be brought to the Operations and Capital Committee for review and submitted to the Board for approval.**

**A motion was made by Mr. Sangster and seconded by Dr. Hittner to approve the following resolution:**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) has a CIP Project to construct an Intermodal Facility; and**

**WHEREAS, RIAC issued a Request for Qualifications (RFQ) in November 2006; and**

**WHEREAS, RIAC formed a Selection Committee (Committee) for the purpose of (a) reviewing proposals from candidates interested in serving as the Project Manager (PM) for the Warwick Intermodal Project and (b) making a PM selection recommendation to RIAC's Board of Directors; and**

**WHEREAS, RIAC received five timely responses to the solicitation; and**

**WHEREAS, on December 22, 2006, the Committee reviewed the proposals received and decided to interview all five firms; and**

**WHEREAS, on January 8, 2007, the Committee (a) conducted interviews of the PM candidates, (b) individually scored the PM candidates based on their proposals and respective interviews (c) held a meeting open to all candidates wherein the Committee reviewed the process, the selection methodology, shared general comments and announced the PM that would be recommended to the RIAC Board of Directors; and**

**WHEREAS, based on the individual scoring, the Committee unanimously recommends that PB Americas, Inc. (formerly Parsons Brinckerhoff) be awarded the PM contract, subject to the approval of the Operations and Capital Committee and the RIAC Board of Directors.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby authorizes the President and CEO, or his designee, to proceed with formal negotiations with PB Americas, Inc. for the purpose of entering into a Professional Services Agreement**

**(PSA) for Project Management Services for the Warwick Intermodal Project. A final PSA will be brought to the Operations and Capital Committee for review and submitted to the Board for approval.**

**The motion was passed unanimously.**

**(b) Consideration of and Action Upon Approval of a Consultant Task Order for the Construct Turf Tie Down Area Project at Block Island Airport.**

**Ms. Greenberger gave an overview of the project. The recommendation is that the Board authorize the President and CEO, or his designee to execute a Task Order with Edwards and Kelcey to provide design and bid phase services for the Construct Turf Tie Down Area Project at Block Island Airport.**

**A motion was made by Mr. Traficante and seconded by Dr. Hittner to approve the following resolution:**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with Edwards & Kelcey, Inc. (EK) to provide on-call architectural and engineering services; and**

**WHEREAS, RIAC has received a scope and fee from EK to provide design and bid phase services associated with the Construct Turf Tie Down Area Project at Block Island Airport in the amount of \$80,825**



**and staff is currently conducting negotiations; and**

**WHEREAS, the project is included in the approved RIAC Five-Year Capital Improvement Program (CIP) budget in the amount of \$424,360; and**

**WHEREAS, this project is being moved to Fiscal Year 2007 based on the availability of grant funding; and**

**WHEREAS, based on engineering reviews of the scope and fee proposal received from EK of \$80,825 for design and bid phase services, it is likely that additional funds beyond the original budget will be required to complete this project; and**

**WHEREAS, once the design phase is completed and actual construction costs can be more reasonably estimated, RIAC will apply for a Federal Aviation Administration (FAA) grant for the total revised cost and incorporate the revised project costs into the CIP; and**

**WHEREAS, this Task Order will initially be funded through the General Purpose Fund with 95% (\$76,784) reimbursement from the FAA upon receipt of a Federal AIP grant offer.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a Task Order with EK to provide design and bid phase services for the Construct Turf Tie Down Area Project at Block Island Airport in an amount not-to-exceed \$80,825.**

**The motion was passed unanimously.**

**6. Finance and Audit Committee Report:**

**There was no report.**

**7. Compensation Committee Report:**

**Mr. Sangster reported that there is a candidate for the vacant position of Senior Vice President of Planning, Engineering and Environmental and that an interview is tentatively scheduled for February 5, 2007.**

**Mr. Sangster reported that the Mercer Group is working on a non-union Compensation Study.**

**8. Action Item:**

**(a) Consideration of and Action Upon Renewal of Health and Dental Insurance Coverages.**

**Mr. Wilde gave an overview of the coverage and reported that RIAC, with the assistance of its health insurance consultant, Borah Associates, successfully negotiated favorable renewal rates which include a 2.5% premium increase for health coverage and a 3.5% premium increase for dental coverage. It was noted that this 2.5% increase in health insurance falls well below the trend increase of 10.5%. The recommendation is that the Board authorize the President and CEO, or his designee, to execute an insurance contract renewal with Blue Cross/Blue Shield of Rhode Island for both health and dental insurance coverage effective February 1, 2007.**

**A motion was made by Mr. Sangster and seconded by Mr. Traficante to approve the following resolution:**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) is currently under contract with Blue Cross/Blue Shield of Rhode Island (Blue Cross) to provide health and dental insurance for RIAC's employees and their families; and**

**WHEREAS, this contract renews each February 1st, at which time the premiums are adjusted; and**

**WHEREAS, RIAC management, with the assistance of its health insurance consultant, evaluated alternative health coverage provided by United Healthcare (United) and determined that the plan was not equivalent to the existing coverage; and**

**WHEREAS, RIAC staff, with the assistance of its health insurance consultant, successfully negotiated renewal rates which include a 2.5% premium increase for health coverage and a 3.5% increase for dental coverage; and**

**WHEREAS, RIAC has a fiscal year budget, which provides funding for these services through its Operating and Maintenance (O&M) budget.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby authorizes the President and CEO, or his designee, to execute an insurance contract renewal for one year with Blue Cross/Blue Shield of Rhode Island for both health and dental insurance coverage effective February 1, 2007.**

**The motion was passed unanimously.**

**9. Executive Session:**

**(a) Collective Bargaining – R.I.G.L. § 42-46-5(a)(2).**

**(b) Potential (EIS) and Pending (Parking, and RIPDES) Litigation - R.I.G.L. § 42-46-5(a)(2).**

**(c) Personnel (Contract Renewal) - R.I.G.L. § 42-46-5(a)(1).**

**Dr. Hittner read the following statement:**

**In advance of making the motion to convene in Executive Session, I note for the record that the affected personnel have been provided advance written notice that they may request that the discussions related to agenda item 9 (c) be held in Open Session and that no such request was received.**

**At approximately 5:00 p.m., a motion was made by Dr. Hittner and seconded by Mr. Traficante to go into Executive Session. By the following vote the motion was passed unanimously.**

**YEAS: James Forte**

**Kathleen Hittner, M.D.**

**Robert Sangster**

**Michael Traficante**

**NAYS: None**

**ABSTAIN: None**

**At approximately 6:05 p.m., a motion was made by Mr. Traficante and seconded by Dr. Hittner to reconvene to the Open Session. The motion was passed unanimously.**

**A motion was made by Mr. Traficante and seconded by Mr. Sangster to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-7(c). The motion was passed unanimously.**

**10. Action Item:**

**(a) Consideration of and Action Upon Contract Renewal for President and CEO.**

**WHEREAS, Mark P. Brewer, A.A.E., has completed the three-year term of his employment contract agreement with the Corporation; and**

**WHEREAS, the Board of Directors has completed a Performance Evaluation for Mr. Brewer; and**

**WHEREAS, the evaluation reflected, and the Board is in agreement, that Mr. Brewer had not only met but exceeded their expectations; and**

**WHEREAS, the Board is recommending that in light of Mr. Brewer's outstanding performance, it is in the best interest of the Corporation to have Mr. Brewer's contract agreement extended for an additional term of three years; and**

**WHEREAS, on passage of this resolution, the Chair of the**

**Compensation Committee is hereby authorized to commence negotiations with Mr. Brewer on terms and conditions of the new contract agreement.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Corporation hereby agrees to extend the contract of Mark P. Brewer, A.A.E., as President and CEO, for three years, and that the Chair of the Compensation Committee is hereby authorized to commence negotiations with Mr. Brewer on terms and conditions for the new contract agreement.**

**The motion was passed unanimously.**

#### **11. Future Meetings:**

**The next meeting will be held on Wednesday, February 21, 2007, at 4:00 p.m., in the Conference Room at 2220 South County Trail, East Greenwich, Rhode Island.**

#### **12. Adjournment:**

**At approximately 6:06 pm a motion was made by Mr. Traficante and seconded by Mr. Sangster to adjourn the meeting. The motion was passed unanimously.**

**Respectfully submitted,**

**James C. Forte, Vice-Chairman  
Rhode Island Airport Corporation**

**ATTENDANCE SHEET  
RHODE ISLAND AIRPORT CORPORATION  
BOARD OF DIRECTORS MEETING  
JANUARY 24, 2007**

<b>NAME</b>	<b>AFFILIATION</b>
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<b>Doug Dansereau</b>	<b>RIAC</b>
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<b>Bruce Wilde</b>	<b>RIAC</b>
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<b>Brenda Pope</b>	<b>RIAC</b>
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<b>Richard Licht</b>	<b>Tillinghast Licht</b>
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<b>Lori Caron Silveira</b>	<b>Tillinghast Licht</b>
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**Steve Whitney    State Fiscal Office**

**Robert Goff    The Parking Company**

**LaVerne Reid    Federal Aviation Administration**

**Amanda Wingerter    Federal Aviation Administration**

**Susan Nichols    VHB**

**John Feinstein    VHB**

**Richard Lettiere    Ropes and Gray**

**The minutes of the Executive Session have been sealed in  
accordance with R.I.G.L. § 42-46-7(c).**